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FM AMEMBASSY NEW DELHI
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4603
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
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RUEHBJ/AMEMBASSY BEIJING 7220
RUEHLO/AMEMBASSY LONDON 5644
RUEHMO/AMEMBASSY MOSCOW 2942
RUEHUL/AMEMBASSY SEOUL 1446
RUEHKO/AMEMBASSY TOKYO 5953
RUEKJCS/SECDEF WASHDC
RUEAIIA/CIA WASHDC
RHEHNSC/NSC WASHDC
RUEIDN/DNI WASHINGTON DC
RHHMUNA/HQ USPACOM HONOLULU HI
RUCNDT/USMISSION USUN NEW YORK 7321
RUEHGV/USMISSION GENEVA 8007
RUEKJCS/JOINT STAFF WASHDC

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SENSITIVE
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SUBJECT: CONGRESS PARTY'S SURPRISE WIN POST-MUMBAI

REF: A. NEW DELHI 3096

[1](#)B. NEW DELHI 3094

[1](#)C. MUMBAI 572

[1](#)D. NEW DELHI 3066

[1](#)E. NEW DELHI 2969

[1](#)1. (SBU) Summary: In what came as a surprise to many, the Congress Party exceeded post-Mumbai attack expectations and fared well in elections for legislatures in five states. It won three of the states convincingly and reduced the margin of the opposition Bharatiya Janata Party (BJP) in a fourth state. While most of these states are traditionally straight two party states (Congress vs. BJP), this time Uttar Pradesh Chief Minister Mayawati's Bahujan Samaj Party (BSP) made some inroads. In the aftermath of the Mumbai attacks, the ability of the Congress Party to hold its own is considered a win in an environment that is made even more difficult by two other national issues: inflation and the fallout of the worldwide financial crisis on the Indian economy. Our interlocutors have suggested two lessons from the elections results: all politics in India is local, with national issues playing a secondary role; and the public's outrage in the wake of the Mumbai terror attacks is directed at the entire political establishment, not just the Congress Party. The results bring some cheer to the beleaguered party which has faced many reversals in the last year, capped most recently by the Mumbai attacks. If these elections were considered a dry run for the national elections due before May 2009, then the mixed results today suggest that it will be as difficult as always to predict which party or coalition will come out ahead in the national elections. End Summary.

[1](#)2. (SBU) Indian democracy continues to surprise at the polls. It sprang yet another on December 8 when counting took place and results were announced for state assembly elections that took place over the last three weeks in five states: the Congress Party beat out post-Mumbai attack expectations and fared relatively well. Bucking conventional wisdom, the Congress Party stormed back into power for a third straight time in Delhi. It convincingly ousted the incumbent BJP government in the important north Indian state of Rajasthan. And, it wiped out a ruling regional party in the small northeastern state of Mizoram. Polling for these

three states took place after Mumbai attacks had ended: Delhi and Mizoram - November 29 and Rajasthan - December 4. In the two other states - Madhya Pradesh (MP) and Chhattisgarh, both in central India -- the Congress Party suffered disappointing losses to the BJP.

	Congress	BJP	BSP	Others
Chhattisgarh	36	47	2	5 (pending)
Madhya Pradesh	70	144	7	9
Rajasthan	98	75	7	20
Delhi	42	23	2	2
Mizoram	32	0	0	8

BJP BUCKS ANTI-INCUMBENCY IN MP and Chhattisgarh

13. (SBU) Rajasthan and Delhi results have been reported septels. In MP, the ruling BJP lost some ground from its overwhelming 2003 win, but still returned to power with a solid two-to-one drubbing of the Congress Party. The BJP also won in Chhattisgarh, where it retained its comfortable margin. In winning these two states, the party was able to overcome the drag of anti-incumbency, which is often compelling in Indian elections and which it was unable to resist in Rajasthan.

14. (SBU) In the run-up to the elections, analysts had said that the Congress Party's inability to declare a clear

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challenger to incumbent chief ministers Shivraj Singh Chauhan of Madhya Pradesh and Dr. Raman Singh of Chhattisgarh would cost the Congress votes. In addition, both incumbent BJP chief ministers in these two states have a relatively clean and pro-development image. The two BJP state units also blunted anti-incumbency by offering many fresh faces to the voters. In both the states, even incumbent sitting ministers were sometimes denied the party nominations if they had serious corruption charges against them, or if their constituents expressed serious dissatisfaction in the detailed constituency level surveys the party conducted.

BSP Makes Inroads

15. (SBU) Uttar Pradesh Chief Minister Mayawati's BSP contested almost all seats in all the states except Mizoram. Unlike some of the other state elections earlier this year, not only did the BSP contest seats, it also put together a strong campaign on behalf of its candidates with Mayawati holding rallies and making appearances in each state. This appears to have worked for the BSP because its fared well. It won seven seats each in MP and Rajasthan and three in Chhattisgarh. It only got two seats in Delhi but had a 11 percent share of the vote, which means it could have tipped some seats away from the Congress Party.

Tough Environment For Congress

16. (SBU) Pundits consider the mixed results in the five states a "win" for the ruling Congress Party, which was seen to be staggering from the fallout of the Mumbai terror attacks, which capped two years of accelerating terror activity within India and appeared to reinforce the BJP charge that the Congress is soft on terror. The Congress Party's standing had also appeared to suffer from inflation, which reached a 13-year high earlier this year. The worldwide financial turmoil had begun to have an impact in India with the stock market losing 60 percent of its value this year and economic activity beginning to slow.

Two Lessons

17. (U) Our interlocutors offered the following overarching interpretations of the mixed results:

-- all politics is local in India and national issues (terrorism, inflation, economic downturn) simply did not play in these state elections while local factors (governance, caste/ethnic politics, choice of candidates) did;

-- while it may be too early to tell just yet, it could be that public's outrage in the wake of the Mumbai terror attacks is not simply directed at the Congress Party but at the entire political establishment.

Comment

18. (SBU) Many considered these state elections a dry run for the national elections due before May 2009. If so, the mixed results today suggest that it will be as difficult as always to predict which party or coalition will come out ahead in the national elections. Today's were upbeat for the Congress Party and the GOI it leads after a week in which it was reeling from the public's anger and ridicule over the Mumbai attacks. The results, especially in Delhi and Rajasthan which went to the polls after the Mumbai attacks, gives the party a bit of breathing room and offer a hope that its position going into the national elections is not hopeless. Many in the Congress Party must be strategizing that a steady string of announcements and actions in the coming weeks to

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strengthen the GOI's counterterrorism efforts (creating a new federal agency, tightening laws, increasing resources for security agencies) plus a steady focus on local issue would allow the party to escape the electorate's wrath in the parliamentary elections.
MULFORD